

**ASIAN STAR COMPANY LTD.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023**

*ERVIN FRIEDMAN
CERTIFIED PUBLIC ACCOUNTANT*

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ERVIN FRIEDMAN, C.P.A.
HARISH D. PATEL

THE BOARD OF DIRECTORS
ASIAN STAR COMPANY LTD.
551 FIFTH AVENUE, SUITE # 3502
NEW YORK, NY 10176-0001

GENTLEMEN,

WE HAVE EXAMINED THE BALANCE SHEET OF ASIAN STAR COMPANY, LTD. NEW YORK, AS OF MARCH 31, 2023 AND RELATED STATEMENT OF INCOME, RETAINED EARNINGS, SUPPORTING SCHEDULES AND CASH FLOW FOR THE YEAR THEN ENDED. OUR EXAMINATION WAS MADE IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS AND ACCORDINGLY INCLUDED SUCH TESTS OF THE ACCOUNTING RECORDS AND SUCH OTHER AUDITING PROCEDURES AS WE CONSIDERED NECESSARY IN THE CIRCUMSTANCES.

IN OUR OPINION, THE FINANCIAL STATEMENTS INDICATED ABOVE PRESENT FAIRLY THE FINANCIAL POSITION OF ASIAN STAR COMPANY, LTD; NEW YORK, AS AT MARCH 31, 2023, AND THE RESULTS OF OPERATIONS FOR THE YEAR THEN ENDED, IN CONFORMITY WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

APRIL 18, 2023



**ASIAN STAR COMPANY LTD.
BALANCE SHEET
MARCH 31, 2023**

ASSETS

CURRENT ASSETS:

CASH IN BANK AND ON HAND	\$ 203,596
ACCOUNTS RECEIVABLE	4,683,139
INVENTORY	<u>3,745,102</u>

TOTAL CURRENT ASSETS **8,631,837**

FIXED ASSETS:

FURNITURE AND FIXTURES	117,903
LESS: ACCUMULATED DEPRECIATION	<u>107,397</u>

TOTAL FIXED ASSETS **10,506**

OTHER ASSETS:

SECURITY DEPOSITS	<u>21,718</u>
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TOTAL ASSETS **\$ 8,664,061**

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

ACCOUNTS PAYABLE	\$ 7,643,531
FEDERAL CORPORATION TAX PAYABLE	8,034
ACCRUED EXPENSES	<u>5,500</u>

TOTAL CURRENT LIABILITIES **7,657,065**

SHAREHOLDERS EQUITY:

CAPITAL STOCK	500,000
RETAINED EARNINGS-UNAPPROPRIATED	<u>506,996</u>

TOTAL SHAREHOLDERS' EQUITY **1,006,996**

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY **\$ 8,664,061**

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**ASIAN STAR COMPANY LTD.
STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDING MARCH 31, 2023**

RETAINED EARNINGS – APRIL 01, 2022	401,535
ADD (LESS): NET INCOME (LOSS) FOR THE YEAR ENDED MARCH 31, 2023	<u>105,461</u>
RETAINED EARNINGS – MARCH 31, 2023	<u>506,996</u>

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**ASIAN STAR COMPANY LTD.
STATEMENT OF INCOME
FOR THE YEAR ENDING MARCH 31, 2023**

OPERATING REVENUES – SALES	\$ 25,052,813
COST OF SALES – SCHEDULE-A	<u>24,311,021</u>
GROSS PROFIT	741,792
GENERAL AND ADMINISTRATIVE EXPENSES-SCHEDULE-B	<u>597,416</u>
OPERATING PROFIT (LOSS)	144,376
OTHER INCOME	
INTEREST INCOME	<u>0</u>
TOTAL OTHER INCOME	<u>0</u>
NET INCOME BEFORE TAXES BASED ON INCOME (LOSS)	144,376
CORPORATE TAXES:	
FEDERAL CORPORATION TAX	28,034
STATE CORPORATION TAX	7,381
CITY CORPORATION TAX	<u>3,500</u>
TOTAL CORPORATE TAXES	<u>38,915</u>
NET INCOME/ (LOSS) AFTER CORPORATE TAXES	<u>\$ 105,461</u>

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**ASIAN STAR COMPANY LTD.
SUPPORTING SCHEDULES
FOR THE YEAR ENDING MARCH 31, 2023**

SCHEDULE-A COST OF SALES

BEGINNING INVENTORY-APR 01, 2022	\$ 3,501,650
PURCHASES	24,450,314
FINDING & SETTING	33,177
FREIGHT & CUSTOMS DUTY	<u>70,982</u>
COST OF GOODS AVAILABLE FOR SALE	28,056,123
ENDING INVENTORY-MAR 31, 2023	<u>3,745,102</u>
COST OF SALES	\$ <u>24,311,021</u>

SCHEDULE-B GENERAL AND ADMINISTRATIVE EXPENSES:

SALARIES – OFFICER	\$186,000
SALARIES - OTHERS	97,939
MANAGEMENT FEES	0
TRAVEL-BUYING & SELLING EXPENSES	17,137
RENT	129,023
PAYROLL TAXES	22,570
INTEREST, DISCOUNT & BANK CHARGES	12,653
INSURANCE	48,785
LEGAL AND PROFESSIONAL	2,636
SECRETARIAL & OFFICE CONSULTANT FEES	44,750
DUES & SUBSCRIPTIONS	3,211
TELEPHONE	9,651
STATIONERY, POSTAGE & OFFICE SUPPLIES	2,151
ALARM & PROTECTION	2,620
COMPUTER SUPPLIES & EXPENSE	10,547
DEPRECIATION	5,070
ADVERTISING	<u>2,673</u>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$ <u>597,416</u>

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**ASIAN STAR COMPANY LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES:		
NET INCOME/ (LOSS) PER INCOME STATEMENT		\$ 105,461
ADD:		
DEPRECIATION	5,070	
INCREASE IN FEDERAL CORPORATE TAXES	4,388	
INCREASE IN ACCOUNTS PAYABLE	<u>505,021</u>	
	-	<u>514,479</u>
	TOTAL	619,940
LESS:		
INCREASE IN INVENTORY	243,452	
INCREASE IN ACCOUNTS RECEIVABLE	<u>480,874</u>	
	TOTAL	<u>724,326</u>
INCREASE (DECREASE) IN CASH		(104,386)
CASH AT THE BEGINNING OF THE YEAR		<u>307,982</u>
CASH AT THE END OF THE YEAR		<u>203,596</u>

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**ASIAN STAR COMPANY LTD.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023**

NOTE-1 SIGNIFICANT ACCOUNTING POLICIES:

REVENUE RECOGNITION:

SALES OF GOODS ARE RECORDED BASED ON SHIPMENT OF GOODS.

INVENTORIES:

INVENTORIES ARE PRICED AT THE LOWER OF COST OR MARKET.

PROPERTY AND DEPRECIATION:

THE COST OF PROPERTY, FURNITURE, FIXTURES AND IMPROVEMENTS ARE RECORDED AT COST AND GENERALLY THE STRAIGHT-LINE METHOD OF COMPUTING DEPRECIATION HAS BEEN APPLIED FOR BOTH INCOME TAX AND FINANCIAL REPORTING PURPOSES.

NOTE-2 PURCHASES INCLUDE MERCHANDISE RECEIVED FROM ASIAN STAR COMPANY LTD; MUMBAI, INDIA IN THE AMOUNT OF \$16,878,572.

NOTE-3 ACCOUNTS PAYABLE INCLUDES THE AMOUNT OF \$ 2,073,599.62 OWED TO ASIAN STAR COMPANY LTD; MUMBAI, INDIA FOR MERCHANDISE RECEIVED, AFTER THE PAYMENT REMITTED TO ASIAN STAR COMPANY LTD, MUMBAI, INDIA IN THE AMOUNT OF \$555,510.93 ON MARCH 31, 2023.

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